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Total No. of Pages : 02

Total No. of Questions : 09

BHMCT (Sem-7)
FINANCIAL MANAGEMENT

Subject Code : BHMCT706-18

M.Code : 90762

Date of Examination : 05-07-2025

Time : 3 Hrs.

Max. Marks : 40

INSTRUCTIONS TO CANDIDATES :

1. SECTION-A is COMPULSORY consisting of TEN questions carrying ONE mark each.
2. SECTION-B contains FIVE questions carrying TWO AND A HALF marks each and students have to attempt any FOUR questions.
3. SECTION-C contains THREE questions carrying TEN marks each and students have to attempt any TWO questions.

SECTION - A

1. Write briefly :

- a) Nature of Financial Management.
- b) Capital structure
- c) Dividend Decision
- d) Time value of money
- e) NPV
- f) Define profitability index method.
- g) What do you mean by profit maximization?
- h) Define preference capital.
- i) Define financing decision.
- j) Net Working capital

SECTION - B

2. ***"Profit vs. wealth maximization which one is the objective of business"***. Comment.
3. Explain Working capital.
4. What is financial statement analysis?
5. Explain types of dividend.
6. Explain importance of investment decisions.

SECTION - C

7. **Two projects with initial investment of 40000 and 50000 respectively. Their cash inflows are as follows :**

Year	Project 1	Project 2
1	15,000	20,000
2	10,000	15,000
3	15,000	5,000
4	15,000	5,000
5	20,000	40,000

Using NPV method and discount rate @10%. Identify which project should be selected.

8. Discuss nature scope and functions of financial management.
9. What is cash flow statement? How it is prepared? How it is different from fund flow statement.

NOTE : Disclosure of Identity by writing Mobile No. or Making of passing request on any page of Answer Sheet will lead to UMC against the Student.